

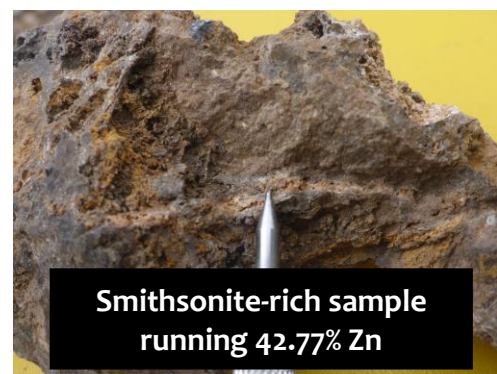


10 July 2017

## RIQUEZA - CERRO RAYAS - A BRIGHT FUTURE IN ZINC

### HIGHLIGHTS

- **Riqueza Project – Humaspunco Prospect**
  - All targeted EW-veins intersected in start-up drilling at Humaspunco
  - Many new EW-veins intersected / New mantos intersected
  - 400m wide x 400m deep network of cross cutting veins and mantos identified – open in all directions
  - Visible mineralisation intersected in the Callancocha Structure (*assays pending*)
  - Strong surface targets still to be tested including (not limited to) mantos and NS-series of veins
- **Riqueza Project – Uchpanga Prospect**
  - Stratiform mineralisation discovered in first-pass drilling at Uchpanga
  - High grade vein/dyke to be tested further
  - Intrusive stocks, relate to “engine-room” of large-scale mineralisation
  - Preliminary mapping and sampling indicate possible skarn mineralisation along stock margins
- **New concession area**
  - “Alteration Ridge” - a new 4km x 2km hydrothermal target
  - Previously unknown mine workings discovered below Alteration Ridge
  - Samples taken in recent field trip from sulphide-bearing outcrops and mine workings (*assays pending*)
- **Consolidation of Cerro Rayas Project**
  - Two granted concessions host three mine workings, Vilcapuquio, Torrepata and Wari on strong Zn-Ag-Pb trend
  - Inca reconnaissance samples confirm very high grades of workings with peak Zn at 42.77%



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Inca Minerals Limited's (**Inca** or the **Company**) (ASX code: ICG) Managing Director, Mr Ross Brown, has recently returned from Peru energised by the unfolding prospects of both the Company's Peruvian projects being Riqueza and Cerro Rayas. Inca has completed approximately 10% of the scheduled drilling under its DIA permit at Riqueza. Results are in line with expectations of the Company. At the same time, three of the Company's eight concession applications surrounding Riqueza have been granted. The new concessions more than double Inca's land holding in this highly prospective area, in which BHP has accumulated a strategic position. In addition, the Company's second zinc-focused project, Cerro Rayas, has been strengthened with the consolidation of two mining concessions covering all the old mine centres, Vilcapuquio, Torrepatá and Wari (alternate spelling *Huari*). An extensive data base of past mine production for the mine workings has been obtained from the previous operators.

"Riqueza is maturing as an exciting drill-active project with a majority of targets yet to be tested" says Mr Brown. "We have already proven that the E-W HV-series of veins that occur at surface at Humaspunco extend deep underground. The variable grades that we have achieved to date are reasonable to expect in start-up drilling of replacement style deposits. Indeed, the continuing success of Riqueza has fuelled our growing interest in the area". Mr Brown added that "located a little over 15kms from Riqueza, our second zinc project, Cerro Rayas, is part of the same mineral-belt that hosts eleven deposits and mines locally."

**A total of 2,063.7m in 11 holes have been drilled to date at Riqueza (187.6m av. hole depth).**

Table 1: **BELOW** Drill hole parameters.

Hole	Prospect (sub-prosect area)	Hole Parameters					Platform	Hole Depth (m's)	Assays Received
		Azimuth	Dip	Coordinates		Elevation (m's above sea level)			
				Easting	Northing				
RDDH-001	Humaspunco (East)	215°	45°	456091	8595226	4,593	SRP-01	360.00	YES
RDDH-002	Humaspunco (East)	215°	75°	456091	8595226	4,593	SRP-01	410.50	YES
RDDH-003	Humaspunco (East)	35°	45°	456091	8595226	4,593	SRP-01	192.90	NO
RDDH-004	Humaspunco (East)	215°	45°	456081	8595212	4,572	SRP-02	265.05	NO
RDDH-005	Humaspunco (South)	35°	60°	455904	8594395	4,295	SRP-18	200.00	YES
RDDH-006	Uchpanga (Rita Maria)	17°	65°	454617	8592910	4,317	SRP-20	50.00	YES
RDDH-007	Uchpanga (Rita Maria)	0°	90°	454617	8592910	4,317	SRP-20	80.00	YES
RDDH-008	Uchpanga (Rita Maria)	17°	65°	454529	8592933	4,296	SRP-19	50.00	YES
RDDH-009	Uchpanga (Rita Maria)	0°	90°	454529	8592933	4,296	SRP-19	174.45	YES
RDDH-010	Humaspunco (Callancocha Structure zone)	305°	45°	456081	8595212	4,572	SRP-02	150.90	NO
RDDH-011	Humaspunco (Callancocha Structure zone)	305°	65°	456081	8595212	4,572	SRP-02	129.90	NO

### Drilling to date at Humaspunco

A NE-SW line of drill holes east of the Callancocha Structure has targeted the EW series of veins (from north to south) HV-17, HV-10, HV-09, HV-06, HV-08, HV-05, HV-07, HV-04, HV-03, HV-02 and HV-01 at Humaspunco. The holes include: RDDH-001 and RDDH-002 (twinned, angled south), RDDH-004 (overlapping RDDH-001/002, angled south) and RDDH-003 (angled north). RDDH-004 also targeted the manto sequence. All the targeted features were intersected and a significant number of new EW veins were discovered (Figure 1). Assay results have been received for RDDH-001 and RDDH-002. **Assay results are pending** for RDDH-003, RDDH-004, RDDH-010 and RDDH-011 (refer to Table 1 for all drill hole parameters).





**A system of tightly interconnecting veins and mantos is now known below the surface at Humaspunco. Approximately 400m wide and 400m deep in cross section, this mineralised system is open in all directions and is open at depth.**

Zinc (Zn), silver (Ag) and lead (Pb) grades established in vein core sampling are variable. There are various geological explanations for lower vein grades in initial drilling compared to grades established in channel-sampling (detailed in ASX announcement 30 June 2017) but the general belief is that the mineralising event is widespread with sulphide content (sphalerite, galena ± pyrite, chalcopyrite) dependent on mineralising temperatures, porosity and/or cavities (presence of brecciations, fracturing, dissolution), nature of gangue minerals (calcite and barite) and post-mineralisation influences (weathering, remobilisation, development of secondary mineralisation, eg smithsonite).

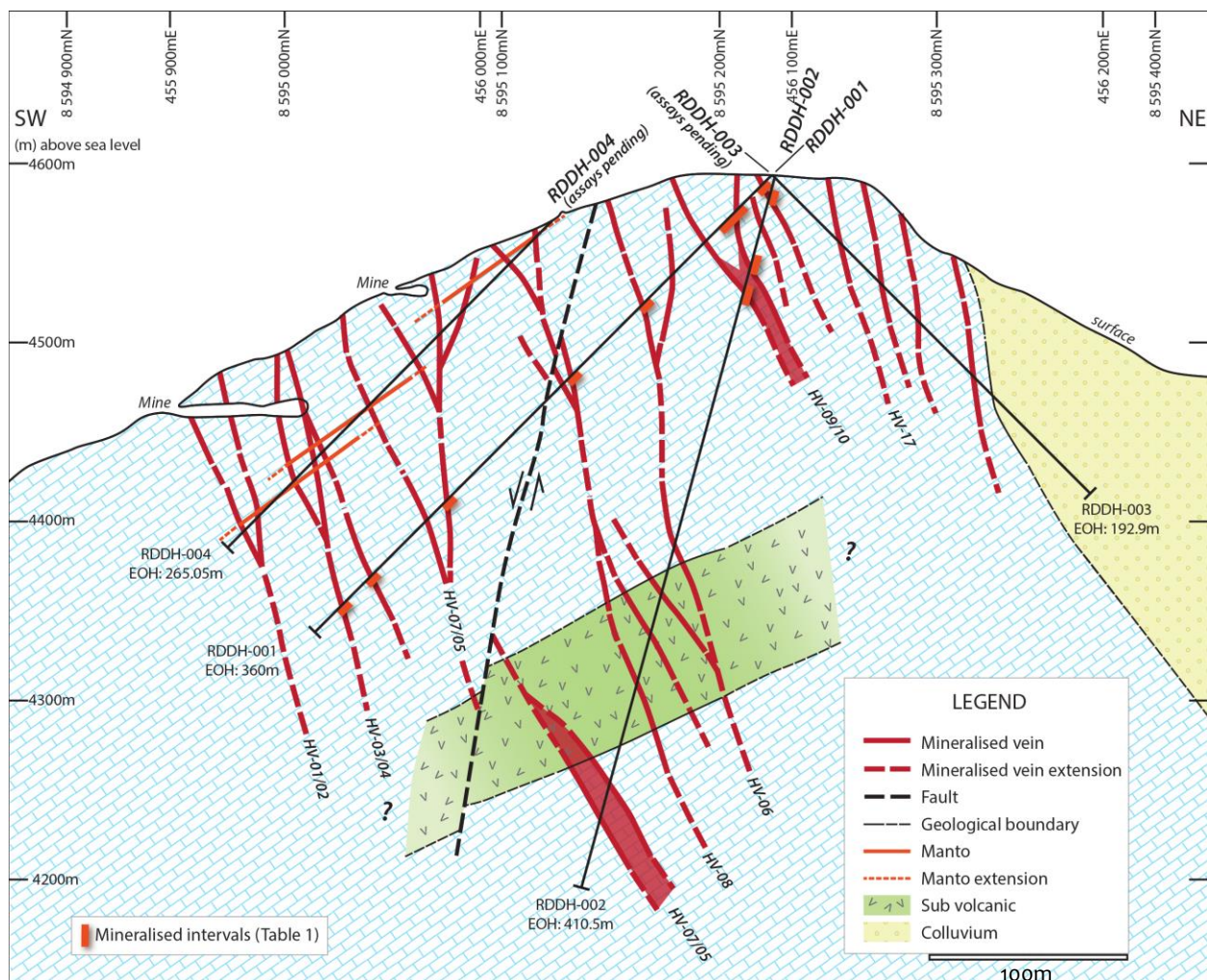


Figure 1: **ABOVE** SW-NE cross section showing the projection of RDDH-001, RDDH-002 (with mineralised intervals marked by red bars) and RDDH-003 and RDDH-004 (assays pending). The subvolcanic has recently been reinterpreted as a sill (intrusive body that is largely parallel to lithology). A network of cross cutting veins and mantos is now proven to occur at Humaspunco. This network of mineralisation is approximately 400m wide (in the SW-NE plane) and up to 400m deep (from the highest surface point). It is open in all directions, including at depth.



Twinned holes RDDH-010 and RDDH-011 were drilled into the Callancocha Structure at a right-angle to its strike direction. Detailed core logging is not complete and samples have only recently been submitted for assay testing. **Assays are pending.** Visible mineralisation is noted within two broader intersections of fault-effected, highly altered Jumasha limestone. The estimated true (vertical) width of the Callancocha Structure is approximately 75m. It has a strike length at Humaspunco of >800m, though recent mapping (discussed below) indicates that the Callancocha Structure trends towards and forms part of a series of sulphide-bearing structures in the new concession area (refer also to the Highlights photo – page 1).

### **Drilling at Uchpanga**

Two sets of twinned, north-angled holes RDDH-006 and RDDH-007 (platform 20) and RDDH-008 and RDDH-009 (platform 19) did not intersect the targeted high-grade Rita Maria vein/dyke structure. It is possible that the mineralised structure dips north and not south as initially thought which may explain why the drill holes did not intersect it. Further drilling will test this belief. Notwithstanding this, drilling did uncover low-grade stratiform Au-Ag-Cu-Zn-Pb mineralisation, hitherto not recognised at Uchpanga. This stratiform mineralisation is believed to be related to pervasive intrusive-related mineralisation which is a common and much-repeated mineralising mechanism in the eleven mines/deposits located in the vicinity.

### **New Concessions at Riqueza**

Three of the eight concession applications surrounding the original Riqueza concession (Nueva Santa Rita) are now granted (Figure 3). These include:

- Concession name<sup>1</sup> *Rita Maria*: Directly west of Nueva Santa Rita and overlapping with BHP (overlap granted in favour of Inca), this concession area comprises the new **Riqueza West Project**.
- Concession name *Uchpanga*: Directly south of Nueva Santa Rita, this concession area is the first of four to be made part of the new **Palcacandha Project** (pronounced “pal-kuh-cand-juh”).
- Concession name *Picuy*: Directly south-east of Nueva Santa Rita, this concession area is the second of four to be made part of the Palcacandha Project.



Figure 2: **ABOVE** Panorama landscape photo showing the Uchpanga Prospect in the right foreground (the white areas are mine workings); the monzodiorite/meta-gabbro intrusive stocks in the left foreground (the pale outcrop area below the grassy plateau); and the hydrothermal alteration anomaly, referred to as Alteration Ridge, in the centre background. The entire colour anomaly, extending well beyond the limits of Alteration Ridge, covers an area of 4km x 2km. Such colour anomalies are characteristic of pervasive alteration associated with intrusive-related mineralised hydrothermal systems such as that occurring at, or in association with, near-by mines, as an example, the Corihuarmi gold-copper mine.

<sup>1</sup> A concession name is a registered name of the tenement used in Peruvian INGEMMET / MEM filings. They should not be confused with namesake prospects given by the Company, eg. the Uchpanga Prospect.



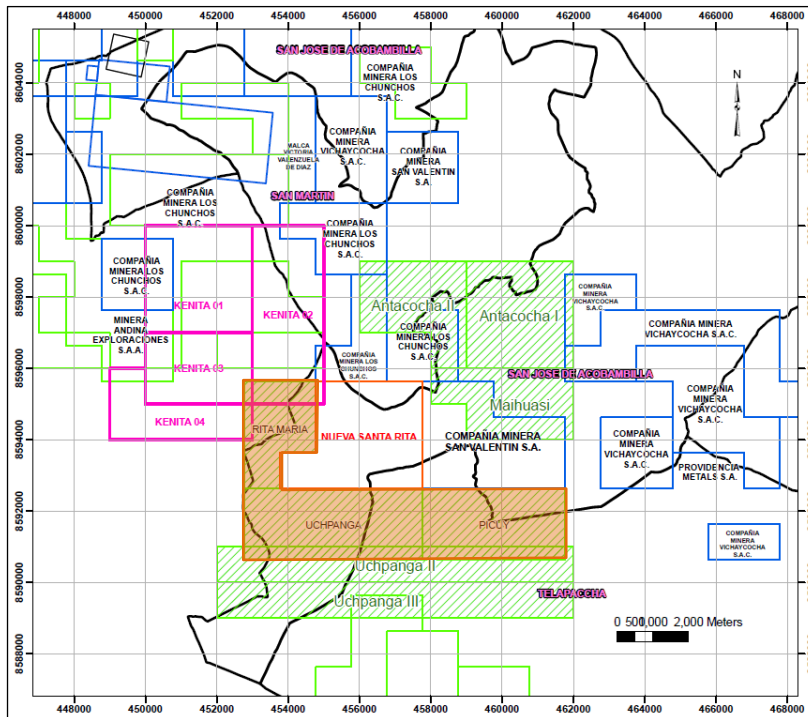


Figure 3: **LEFT** Concession plan of the greater Riqueza project area. Orange outlined area: Inca's granted concession. Tan-coloured shaded area: Inca's recently granted concessions; Green cross-hatched area: Inca's concession applications. Pink outlined area: BHP concession applications. Inca's concessions pre-date and prevail over those of BHP.

### Inca's Project nomenclature for the greater Riqueza project area:

- Riqueza Project: Nueva Santa Rita concession (granted, subject of 100% earn-in agreement)
- Riqueza West Project: Rita Maria concession (granted 100%)
- Palcacandha Project: Uchpanga concession (granted 100%), Picuy concession (granted 100%), Uchpanga II & III concessions (pending)
- Antacocha Project: Antacocha I & II concessions (pending), Maihuasi concession (pending)

Several new mine workings and interesting outcrops were mapped as part of a first pass reconnaissance mapping program in an area immediately south of the Uchpanga Prospect, within the new Palcacandha Project. A preliminary interpretation of mapping indicates a series of highly gossanous veins and localised stockworks within a highly altered sequence of volcanics. Where fresh, these veins contain dominant pyrite and subordinate chalcopyrite (Figure 4). Several mineralised veins are aligned with the Callancocha Structure.

Figure 4: **RIGHT** Rock specimens of gossanous vein material collected from the new Palcacandha Project. *Assays pending*.





Interestingly, the Callancocha Structure, which is believed to be a feeder zone of Zn-Ag-Pb mineralisation at Humaspunco, strikes NE to SW directly into this new sulphide-bearing area. It is now believed that the Callancocha Structure, and other large fault structures in the greater Riqueza project area, act as major metal-conduits within a broader intrusive-related mineralised system.

**“It is too early to say that there is an unbroken mineralised corridor extending between Humaspunco, Uchpanga and Alteration Ridge” says Mr Brown, “but four facts are established: 1) RDDH-010 and RDDH-011, both intersecting the Callancocha Structure, contain visible mineralisation; 2) known veins HV-12, HV-15 and HV-16 at Humaspunco and several unnamed veins (including a 5m thick vein) located within the Callancocha Structure zone, contain strong grades of Zn, Ag and Pb; 3) the SW extension of the Callancocha Structure trends straight into a new sulphide-bearing veined area at Palcacandha and 4) further SW again, the Callancocha Structure trends straight into Alteration Ridge.**

### **Cerro Rayas**

The Company has consolidated two concessions making up the Cerro Rayas Project, Elegida and Elegida 1. “Located 15km NE of Riqueza on a parallel adjacent mineral belt, Cerro Rayas is highly prospective for Zn, Ag, Pb and as such, is an excellent addition to our Zn-focussed portfolio of projects” says Mr. Brown.

The project hosts three mine workings, Vilcapuquio, Torrepata and Wari, which are located 1.2kms apart along a NW-SE corridor (Figure 8). **Sampling of various underground mines in 2016 returned exceptional grades, including 42.77% peak-Zn (Table 2) (Figure 5).**



Figure 5: **ABOVE LEFT** Wall rock photo inside the Vilcapuquio mine working (upper level) showing a broad zone of highly altered stockwork veining (brown discolouration). **ABOVE RIGHT** Photo of a rock sample taken from this section of the mine. **The sample grades 42.77% Zn, 3.4g/t Ag and 2.73% Pb.**



Figure 6: **LEFT** Photo of a rock sample taken from the Wari mine working. **The sample grades 30.96% Zn, 161g/t Ag and 24.31% Pb** despite being highly weathered and gossanous.



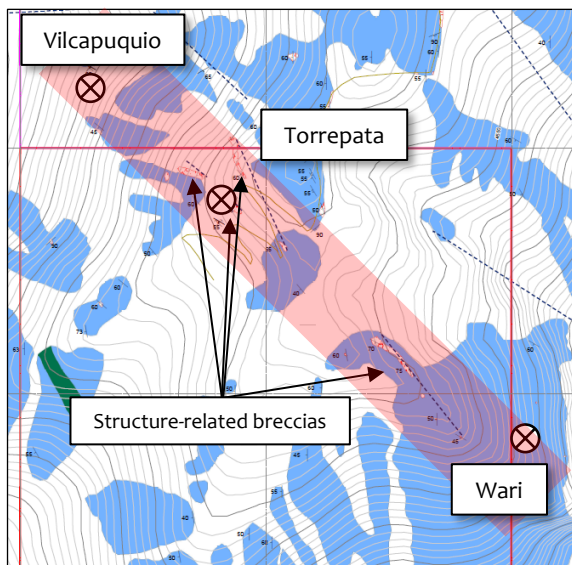


During an early phase of exploration, the Company inspected the large Torrepatá mine workings (Figure 7). The largest of the three workings at Cerro Rayas, it has numerous drives that provide access to a zone of mineralisation up to 5m in true width. **The peak Zn value from this program is 41.59 % Zn.**

Figure 7: **LEFT** The Torrepatá mine working at Cerro Rayas. The Jurassic limestone sequence is highly altered (very pale colouring).

Table 2: **BELOW** Assay results from underground sampling at the Vilcapuquio and Wari (Huari) mine workings.

Element	Mine	Ag			Pb			Pb %	Zn			Zn %
Unit		ppm	g/t	Ag g/t	ppm	%	%		ppm	%	%	
Method		ICP40B	AAS41B		ICP40B	CON29G	AAS41B		ICP40B	AAS41B	CON21B	
M190377	Vilcapuquio	2.4		2.4	>10000		1.76	1.76	>10000	>20	22.25	22.25
M190378	Vilcapuquio	7.7		7.7	>10000		7.98	7.98	>10000	>20	27.89	27.89
M190379	Vilcapuquio	4.7		4.7	>10000		6.21	6.21	>10000	11.99		11.99
M190380	Vilcapuquio	<0.2		0.2	303			0.03	1254.5			0.13
M190381	Vilcapuquio	3.4		3.4	>10000		2.73	2.73	>10000	>20	42.77	42.77
M190382	Vilcapuquio	4.2		4.2	2588			0.26	>10000	>20	32.36	32.36
M190383	Vilcapuquio	2.4		2.4	8265			0.83	>10000	4.91		4.91
M190384	Vilcapuquio	2.5		2.5	>10000		3.01	3.01	>10000	4.31		4.31
M190385	Vilcapuquio	1.4		1.4	6088			0.61	>10000	>20	22.4	22.40
Mine average		3.2			2.60				18.78			
M190386	Wari	>100	161	161	>10000	24.31	>20	24.31	>10000	>20	30.96	30.96
M190387	Wari	>100	135	135	>10000		12.21	12.21	>10000	>20	32.5	32.50
M190388	Wari	>100	155	155	>10000	26.06	>20	26.06	>10000	>20	28.84	28.84
M190389	Wari	>100	258	258	>10000	22.26	>20	22.26	>10000	>20	29.9	29.90
Mine average		177.3			21.21				30.55			



Previous mapping at Cerro Rayas identified a series of breccia structures affecting Jurassic limestone. The breccias occur in line with and are parallel to the NW-SE mineral trend of the three workings (Figure 8). The breccias are believed to be related to the same mineralising event that created the Zn-Ag-Pb veins and stockwork present at the three mines.

Figure 8: **LEFT** An excerpt from a geological plan of the Cerro Rayas Project, showing the location of the three mine workings and four breccia structures cutting limestone (blue) in line with the mineral trend. Each map grid is 500m x 500m.



### **Importance of Results – Building a Substantial Zn Presence in Peru**

Riqueza is an active drilling exploration project that hosts numerous high-priority targets. To date, approximately 10% of the DIA holes have been drilled and approximately only 6% of DIA assays have been returned. “In effect, drilling is still in the start-up phase at Riqueza” says Mr Brown.

Whilst drilling continues at Riqueza, the Company is proactively building a portfolio of Zn-focussed projects in the central Peru zinc-copper belt. “We are applying the same fervour and refined practical experience obtained through developing Riqueza to other parts of this fecund mineral-belt.”

“Experience tells us that zinc, silver, lead, copper and gold are typically related to intrusive centres in this rich part of Peru. Where intrusive rocks intrude Cretaceous and/or Jurassic limestones, large mineralised systems may form. This is our exploration model at Riqueza and we believe the model is robustly applicable. We therefore believe that the greater Riqueza project area has the potential of hosting a variety of intrusive-related deposits, including **replacement deposits** (veins, mantos, breccias) such as at Humaspunco, **epithermal deposits** (stratiform/disseminated forms, veins) such as at Uchpanga and Alteration Ridge and **skarn deposits** such as might be the case associated with intrusive margins.”

With global peak-zinc production forecast in 2020, squeezed supply and sustained growth in demand, a significant zinc deficit and commensurate commodity price hike are expected in the coming years. The Company is intending to be well positioned in zinc-rich Peru to take advantage of this.

“Peru is the third largest producer of zinc in the world and it has the third largest reserves of zinc in the world” says Mr Brown. “With much of the country under-explored, we think Peru is high among the premier destinations in the world to explore for and find zinc and associated metals, silver, lead, copper, gold.”



Figure 9: **ABOVE** A regional plan showing the location of Riqueza and Cerro Rayas in relation to mines in the vicinity, the Corihuarmi Au-Cu Mine, the Bethanja Zn-Ag-Pb Mine, the Heraldos Negros Zn-Ag-Pb-Cu Mine.



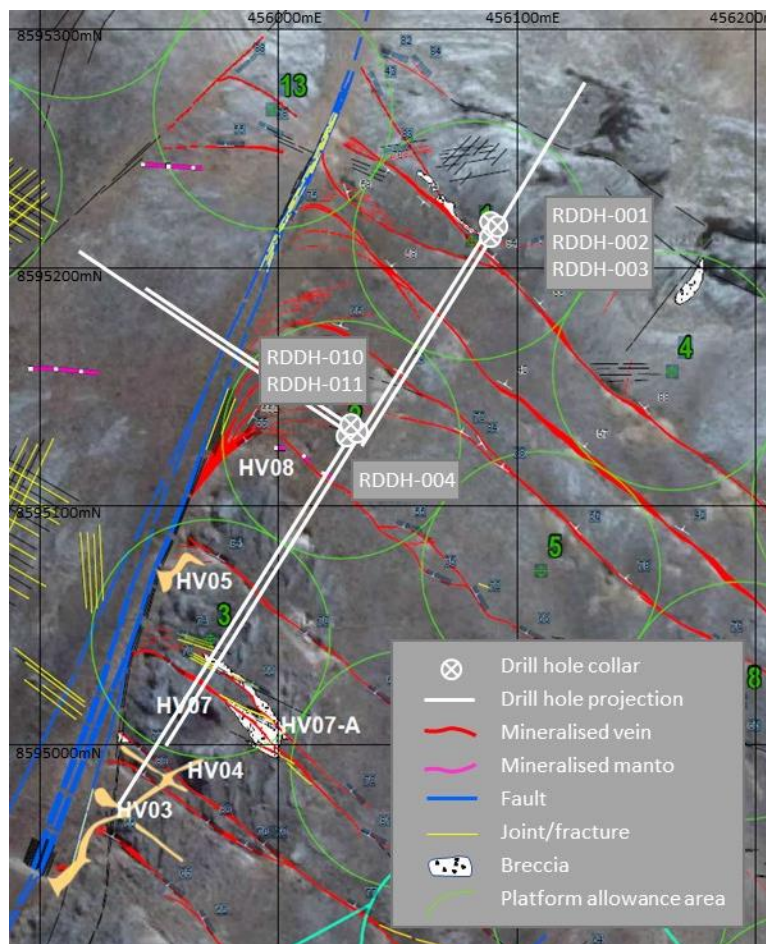


As mentioned above, eleven mines/deposits occur close to Riqueza/Cerro Rayas, distributed along a local NW-SE trend referred to as the Huancavelica Mineral Belt. This belt is part of the prolific Pierina Epithermal Gold-Silver Belt and overlapping Central Peru Zn-Belt. “Mines of very significant economic importance are located in this broader catchment” says Mr Brown, “including **Antamina containing 745Mt at 1.1% Cu, 0.67% Zn, Cerro de Pasco containing 120Mt at 7.2% Zn, Colquijirca/San Gregorio containing 95Mt at 7% Zn, 2.3% Pb** and many others. We are not the only junior in this space, but we are certainly among the most active.”

### **Future Exploration**

Phase One drilling is continuing at Riqueza as planned. The Company has sought to address the long lag time between hole completion and core sampling, which developed as a result of near-optimal drilling conditions with sub-optimal core logging and sampling conditions. Several high priority surface targets and surface target areas will be tested in the coming weeks as well as follow-up drill holes into the Callancocha Structure.

**Assay results are pending** for surface samples taken at Palcacandha. Once these are returned, follow-up work will commence which will include mapping and sampling across Alteration Ridge.



Exploration proposed for Cerro Rayas includes detailed underground mapping and sampling of the three mine workings, Vilcapuquio, Torrepata and Wari. Reconnaissance mapping and sampling, as well as channel sampling, will focus on extensions of the mines and the breccia features. Inca continues to assess Zn-projects as part of our Peru-Zn focus.

Figure 10: **LEFT** Drill hole location plan showing the position of RDDH-001 and RDDH-002 (assays received) and RDDH-003 and RDDH-004 (assays pending). Drill hole projections (to the surface) are shown as thick line lines.

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### Competent Person Statements

The information in this report that relates to mineralisation for the Riqueza and Cerro Rayas projects, located in Peru, is based on information compiled by Mr Ross Brown BSc (Hons), MAusIMM, SEG, MAICD Managing Director, Inca Minerals Limited, who is a Member of the Australasian Institute of Mining and Metallurgy. He has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Brown is a fulltime employee of Inca Minerals Limited and consents to the report being issued in the form and context in which it appears.

Some of the information in this report may relate to previously released information concerning mineralisation for the Riqueza and Cerro Rayas projects, located in Peru, and subsequently prepared and first disclosed under the JORC Code 2004. It has not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported, and is based on the information compiled by Mr Ross Brown BSc (Hons), MAusIMM, SEG, MAICD Managing Director, Inca Minerals Limited, who is a Member of the Australasian Institute of Mining and Metallurgy. He has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Brown is a fulltime employee of Inca Minerals Limited and consents to the report being issued in the form and context in which it appears.

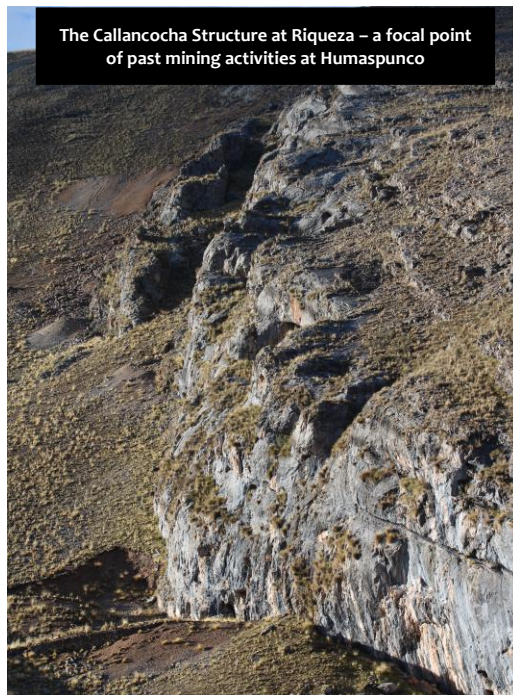
Panorama scanning the horizon at Cerro Rayas – the Andes forms a high plateau in central Peru with generally good access for exploration and mining



The Torrepatana mine working – the largest of the three small mine centres at Cerro Rayas



The Callancocha Structure at Riqueza – a focal point of past mining activities at Humaspunco







## Appendix 1

The following information is provided to comply with the JORC Code (2012) requirements for the reporting of drilling and mapping activities by the Company on four concessions known as Nueva Santa Rita, Rita Maria, Uchpanga and Picuy which comprise the Riqueza project, and two concessions known as La Elegida and La Elegida I which comprise the Cerro Rayas project, all of which are located in Peru.

### Section 1 Sampling Techniques and Data

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
<b>Sampling techniques</b>	<i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or hand-held XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i>	This announcement does not refer to any new sample assay results. Various previously released grades of rock chip sampling are referred to in the context of the general prospectivity of the project areas.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	This announcement does not refer to any new sample results.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3 kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is a coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i>	This announcement does not refer to any new sample results.
<b>Drilling techniques</b>	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i>	This announcement refers to a geological cross section constructed with data from four holes RDDH-001, RDDH-002, RDDH-003 and RDDH-004. The cross section has been previously released.
<b>Drill sample recovery</b>	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	With respect to the above mentioned four holes, core barrel and core length measurements were made. No significant core loss was experienced.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	No significant core loss was experienced.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	N/A – refer above. With no sample loss, no bias based on sample loss would occur.
<b>Logging</b>	<i>Whether core and chip samples have been geologically and geo-technically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	On-site geologist(s) log structure, lithology, alteration, mineralisation on a shift basis. Core recoveries are noted.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i>	Core logging is both qualitative and quantitative. Core photos were taken for every core-tray.



CRITERIA	JORC CODE EXPLANATION	COMMENTARY
<b>Logging cont...</b>	<i>The total length and percentage of the relevant intersections logged.</i>	100% of the core hosting zones of mineralisation were logged.
<b>Sub-sampling techniques and sample preparation</b>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	No core sample assay results were mentioned in this announcement. Notwithstanding this, in the broader context of the drill program (described above), core will be sawn in half. One half will be bagged and labelled, the remaining half will be returned to the core tray
	<i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i>	N/A – future sampling of the current drill program (described above) will be core.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Core sampling will follow industry best practice.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise “representivity” of samples.</i>	No sub-sampling procedures will be undertaken.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	The core sawing orientation will be such that apparent mineralisation will be equally represented in both halves of the core. Sample intervals will be determined by either down-hole vein and manto intervals or by whole-metre intervals, and be collected as either one or part metre samples. In the case of vein and manto sampling, sampling will be subject to visible signs of mineralisation. In all cases, measures to ensure representative sampling will take place.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	The sample sizes will be adequate in terms of the nature and distribution of mineralisation visible in the core. Where vein and manto intervals are sub-one metre, sampling will be sub-one metre.
<b>Quality of assay data and laboratory tests</b>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	N/A – No drill core assay results are referred to in this announcement.
	<i>For geophysical tools, spectrometers, hand-held XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	N/A – No drill core assay results are referred to in this announcement.
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	N/A – No drill core assay results are referred to in this announcement.
<b>Verification of sampling and assaying</b>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	N/A – No drill core assay results are referred to in this announcement.





CRITERIA	JORC CODE EXPLANATION	COMMENTARY
<b>Verification of sampling and assaying cont...</b>	<i>The use of twinned holes.</i>	N/A – No drill core assay results are referred to in this announcement.
	<i>Documentation of primary data, data entry procedures, date verification, data storage (physical and electronic) protocols.</i>	N/A – No drill core assay results are referred to in this announcement.
	<i>Discuss any adjustment to assay data.</i>	N/A – No drill core assay results are referred to in this announcement.
<b>Location of data points</b>	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	The drill hole locations were determined using hand held GPS.
	<i>Specification of the grid system used.</i>	WGS846-18L.
	<i>Quality and adequacy of topographic control.</i>	Topographic control is achieved via the use of government topographic maps, in association with GPS and Digital Terrain Maps (DTM's), the latter generated during antecedent detailed geophysical surveys.
<b>Data spacing and distribution</b>	<i>Data spacing for reporting of Exploration Results.</i>	Exploration results mentioned in this announcement include cross section interpretation, rock specimen photos and reconnaissance mapping.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	Please refer immediately above.
	<i>Whether sample compositing has been applied.</i>	N/A – No drill core assay results are referred to in this announcement.
<b>Orientation of data in relation to geological structure</b>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	N/A – No drill core assay results are referred to in this announcement.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	This announcement includes discussion of a previously released cross section constructed with data from four drill holes (listed above). The cross section is considered reasonable and accurate and therefore no sample bias is believed to have occurred. No assays were mentioned in regard to this cross section. Mineralised intersections should be seen as down hole intervals only.
<b>Sample security</b>	<i>The measures taken to ensure sample security.</i>	N/A – No drill core assay results are referred to in this announcement.
<b>Audits or reviews</b>	<i>The results of any audits or reviews of sampling techniques and data.</i>	N/A – No drill core assay results are referred to in this announcement.



## Section 2 Reporting of Exploration Results

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
<b>Mineral tenement and land tenure status</b>	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	<p>Tenement Type: Peruvian mining concessions.</p> <p>Concession Names: Nueva Santa Rita, Rita Maria, Uchpanga, Picuy, La Elegida, La Elegida I.</p> <p>Ownership (Nueva Santa Rita): The Company has a 5-year concession transfer option and assignment agreement (<b>Agreement 1</b>) whereby the Company may earn 100% outright ownership of the concession.</p> <p>Ownership (Rita Maria, Uchpanga, Picuy): 100% by the Company.</p> <p>Ownership (La Elegida I): The Company has a 2½-year concession transfer option and assignment agreement (<b>Agreement 2</b>) whereby the Company may earn 100% outright ownership of the concession.</p> <p>Ownership (La Elegida): The Company has a 2-year concession transfer option and assignment agreement (<b>Agreement 3</b>) whereby the Company may earn 100% outright ownership of the concession.</p>
	The security of the land tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	Agreements 1 - 3 and all concessions are in good standing at the time of writing.
<b>Exploration done by other parties</b>	Acknowledgement and appraisal of exploration by other parties.	This announcement does not refer to exploration conducted by previous parties.
<b>Geology</b>	Deposit type, geological setting and style of mineralisation.	The geological setting of the Riqueza project area is that of a gently SW dipping sequence of Cretaceous limestones and Tertiary “red-beds”, on a western limb of a NW-SE trending anticline; subsequently affected by a series of near vertical Zn-Ag-Pb bearing veins/breccia and Zn-Ag-Pb [strata-parallel] mantos. The geological setting of the Cerro Rayas project area is that of a thick sequence of steeply dipping Jurassic limestones with one known NW-SE bearing Zn-Ag-Pb vein system and breccia structure.
<b>Drill hole information</b>	<p>A summary of all information material to understanding the exploration results including a tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> <li>• Easting and northing of the drill hole collar</li> <li>• Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar.</li> <li>• Dip and azimuth of the hole.</li> <li>• Down hole length and interception depth.</li> </ul>	Drill hole parameters: Refer to Table 1 (in-text).





CRITERIA	JORC CODE EXPLANATION	COMMENTARY
<b>Drill hole information (Ctd)</b>	<i>If the exclusion of this information is justified on the basis that the information is not material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	N/A – drill parameters are provided in Table 1 (in-text).
<b>Data aggregation methods</b>	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	N/A – no weighting averages nor maximum/minimum truncations were applied.
	<i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations shown in detail.</i>	N/A – no weighting averages nor maximum/minimum truncations were applied.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	N/A – no equivalents were used in this announcement.
<b>Relationship between mineralisation widths and intercept lengths</b>	<i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i>	This announcement discusses a previously released cross section constructed with data from four drill holes (listed above). The cross section is considered reasonable and accurate and therefore no sample bias is believed to have occurred. No assays were mentioned in regarding to this cross section. Mineralised intersections should be seen as down hole intervals only.
<b>Diagrams</b>	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	A plan and cross section are provided showing the position of the drill holes subject of this announcement.
<b>Balanced reporting</b>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should occur to avoid misleading reporting of Exploration Results.</i>	The Company believes the ASX announcement provides a balanced report of its exploration results referred to in this announcement.
<b>Other substantive exploration data</b>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples–size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	This announcement makes reference to information (geological interpretations, grades, assay tables, photos and figures) contained in six previous ASX announcements dated: 30 June 2017, 16 June 2017, 12 April 2017, 7 February 2017, 29 November 2016, 12 October 2015.
<b>Further work</b>	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	By nature of early phase exploration, further work is necessary to better understand the mineralisation appearing in the drill hole subject of this announcement.
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	N/A: Refer above.